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## UNITED STATES DEPARTMENT OF AGRICULTURE PRODUCTION AND MARKETING ADMINISTRATION

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INSERTS

FOR

SUTARIES

FLUID BILK MAR'TETING ORDERS

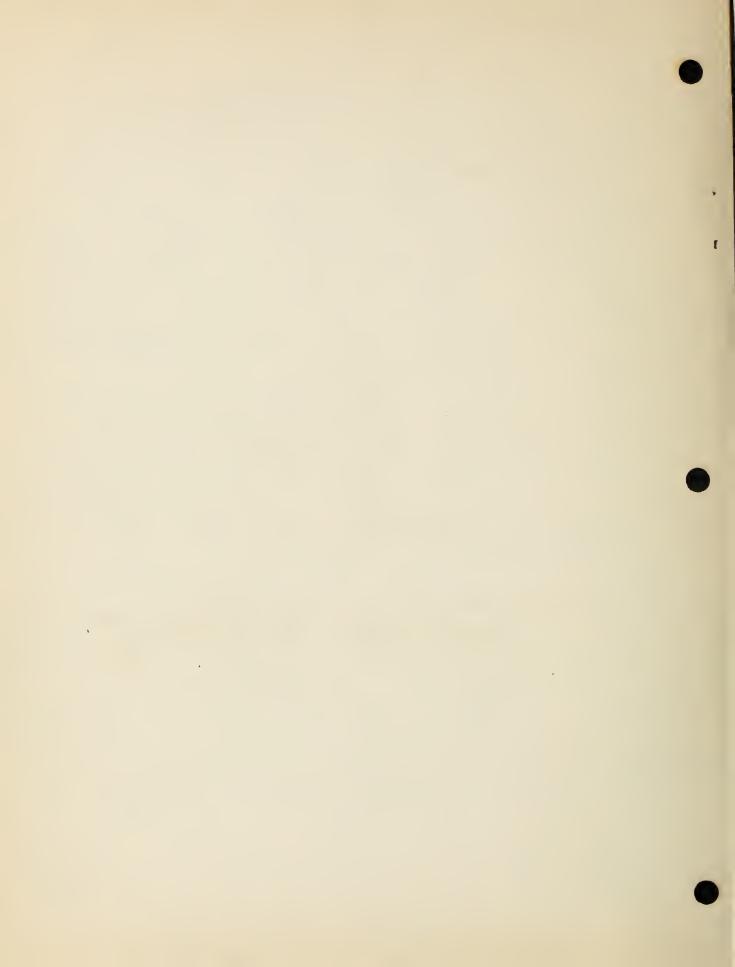
Revised to October 1, 1952

and

Federal Register Citations for the Milk Price Orders

The attached are inserts to be substituted for the corresponding pages in the <u>Summaries of Fluid Milk Marketing Orders</u>, April 1, 1948, and Federal Register Citations for the milk price orders. These inserts revise the Federal orders as effective on October 1, 1952. The last insert was issued on September 1, 1952.

Agriculture - Washington



## Class Prices (3.5 per cent butterfat):

"Basic formula" price - A "basic formula" price is used for Class I and Class II. It is the highest of the following, computed for the preceding month:

- (1) Prices paid for 3.5 per cent milk at 18 Lidwest condenseries (see Chicago order for list),
- (2) Price per pound of 93-score butter (if 93-score butter is not quoted for any day, use highest of prices for 92-score) times 4.24, plus 8.2 times price per pound of nonfat dry milk solids (spray process, human consumption, f.o.b. manufacturing plants in the Chicago area) minus 75.2 cents.

Class I and Class II Prices - "Basic formula" price plus fixed differentials:

	Fixed Differential				
Month	Class I	Class II			
	(cents per	hundredweight)			
Nay-June	56	: l40			
July-Yov.	1.06	70			
DecApr.	76	50			

And plus or minus a "supply-demand" adjustment based on sales and receipts in the Chicago market. (See Chicago summary for details).

## Class III Price - The higher of:

(1) Average price paid for the current month, for 3.5 percent milk at the following plants:

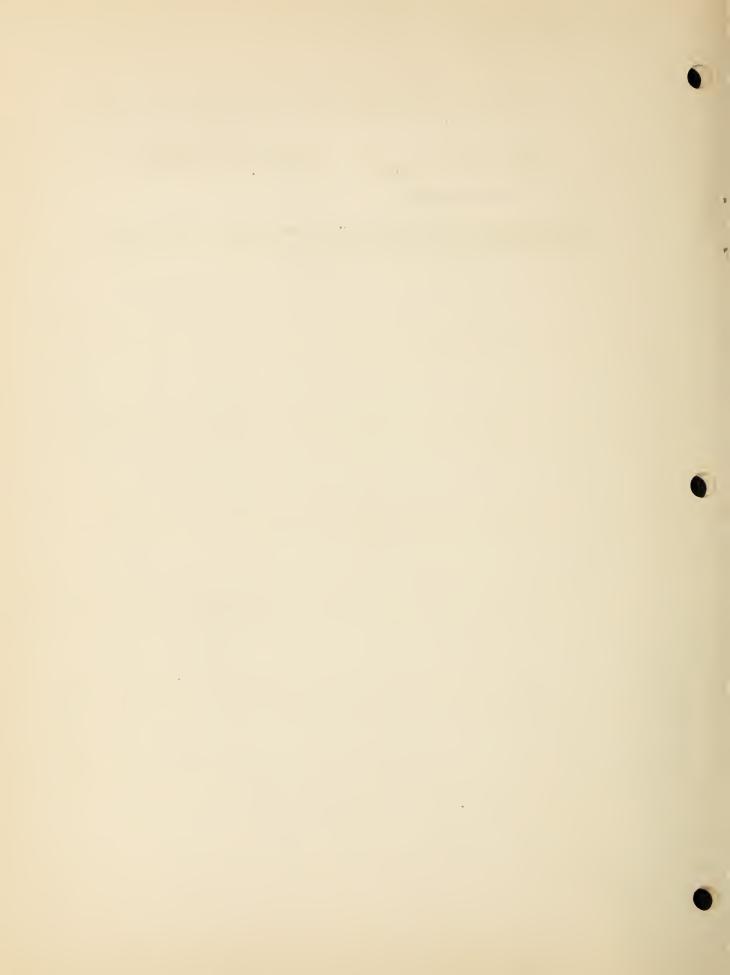
Kraft Foods, Inc., Carnation Company, White House Hilk Co., Martford, Wisconsin Oconomowoc, Wisconsin West Bend, Wisconsin

; ; . . .  If prices are not reported for one or more of these plants, prices at the following plants are included:

Armour & Co., Stoughton, Wisconsin United Milk Products Co., Johnson Creek, Wisconsin

(2) The Class IV price.

Class IV Price - The second alternative method of computing the "basic formula" price (butter-nonfat solids).



- (2) Price per pound of 92-score butter at Chicago less 3 cents times 1.2, times 4.0, plus the price per pound of nonfat dry milk solids (carlots, spray and roller process, for human consumption, f.o.b. manufacturing plants in the Chicago area) less 5.5 cents, times 8.5, times 0.96.
- (3) Average prices paid for ungraded 4.0 per cent milk at the following plants:

Carnation Company, The Borden Company, Lamar Creamery, Sulphur Springs, Texas Mount Pleasant, Texas Paris, Texas

Class I - For the months of April, May, and June, add to the basic formula price \$2.00 per hundredweight and for all other months \$2.20 per hundredweight (for the months of October 1952 through February 1953 add \$2.66 and for March 1953 add \$2.43), subject to a supply-demand adjustment, not to exceed 50 cents, computed from a net utilization percentage, i. e., the percentage which producer receipts are of Class I milk during the second and third preceding months. For each percentage point that the net utilization percentage is less than the minimum listed below the price shall be increased 2.5 cents and for each percentage point that the net utilization percentage is above the maximum listed below the price shall be decreased 2.5 cents.

2-month period	Perce	ntages	: Month in : which adjust- : ment applies
January and February February and March March and April April and May May and June June and July July and August August and September	108 112 115 120 125 120 115 107	: 118 : 122 : 125 : 130 : 135 : 130 : 125 : 117	April May June July August September October November
September and October October and November November and December December and January	100 100 102 105	110 110 112 115	December January February March

(2) Except for the foregoing supply-demand adjustment, the Class I price for October, November, and December shall not be less than that for the preceding month and during April, May, and June shall not be more than that for the preceding month.

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